



City of San Diego



August 1, 2003

Quarterly Report (April - June)
Public Utilities Commission Decision 02-05-046, Rulemaking 01-08-028
Project Reference Number 284-02

I. Program

Whole House Energy Retrofit Incentive Program.

II. Program Description

The *Whole House Energy Retrofit Incentive Program* (the Program) is a local residential program aimed at homeowners who reside in homes constructed before 1978. There are three sub-groups of homeowners within this market that are being targeted by the program: (1) owners who submit plans for an addition or remodel of their home, (2) hard-to-reach homeowners in lower-income areas of the City, and (3) homeowners interested in reducing their energy consumption.

The incentive program is being marketed as a comprehensive package of benefits that includes: (1) the rebates available from San Diego Gas and Electric (SDG&E), (2) information about energy efficiency, (3) design and inspection assistance from the City, and (4) an additional financial incentive offered under this program. The comprehensive incentive offered under the City's program is additive to residential energy efficiency measure incentives available from SDG&E.

The incentive program is a whole-house retrofit plan. Program applicants are currently able to take advantage of three levels of incentives depending on the extent of the retrofit work they select. The third package was introduced through City of San Diego Water Bill mailers beginning April 14, 2003.

- ◆ Package 1. For homeowners who insulate their attic with R-30 insulation, install double-pane windows, install low-flow shower heads and wrap their water heaters (as appropriate) the retrofit incentive will be \$200 to \$600, depending on income level. (See Table 1 for incentive amounts for various income levels)

- ◆ Package 2. For homeowners who do all of the above and also install a new, high-efficient furnace, the retrofit incentive will be \$400 to \$800, depending on income.
- ◆ Package 3. For homeowners who insulate their attic with R-30 insulation, wrap their water heater (as appropriate), install low-e window film on all windows, and replace 50% or 10 (whichever is less) of their incandescent light bulbs with CFL bulbs, the rebate incentive will be \$300 to \$500 depending on income level.

Homeowners are responsible for selection, purchase and installation of the energy efficient materials and equipment required under this program. Information about acceptable energy efficiency levels of materials and equipment is provided in the program information brochures as well as the Program's website.

III. Program Summary Data

1. Aggregated Customer Information

The customer information is available in the Q2 worksheet of the Customer Information Workbook Q2. This customer Workbook contains the information of customers who applied and/or received rebates during this quarterly reporting period.

2. Applications Received and Not Yet Paid

Number of applications received	2
Estimated amount of incentives to be paid	\$600
Estimated demand and energy savings as a applicable (kW, kWh, Therms)	1kW, 222kWh, 124Therms

3. Average Rebate Processing Turn-Around Time

This program is difficult to measure in terms of "turn around time". Simply defined, "turn around time" would be the time it takes to pay out a rebate from the date of initial application to the date the rebate check was created. In this case, the average rebate processing time is 6 weeks. However, our program allows citizens to apply to the Program before construction on their home is complete. This means they can generate a building permit application and be ready to schedule an inspection at their convenience. This makes the "turn around time" appear to be much longer than it needs to be since people apply to the program and they wait several weeks or even months before scheduling an inspection. The average "turn around time" from date of inspection to the date the rebate check is created and mailed to the customer is about 15 days.

4. Total Applications Received

During this reporting period, there were seven new applicants, all of which have completed the installation of the measures and received rebates. This period our direct

marketing material was sent out, and we expect to see more applications returned in the next quarter in response to this marketing activity.

IV. Training

Quarter 2 of 2003

The City of San Diego did not conduct any formal training sessions for its staff this quarter. The City of San Diego did hire one more employee dedicated to the administration of this Program. Informal training was required to teach our new employee operational and reporting procedures relative to the implementation of the Program.

Last quarter, a contact list of related vendors and contractors was desired in order to organize an informational workshop. Though this doubles as a marketing activity, it is important to note that a workshop was held in the middle of May and can be considered a training session for vendors in a related field. These vendors acquired knowledge of the Program and took marketing materials in order to better serve their customers, benefiting the City as well.

V. Marketing

Quarter 2 of 2003

The largest marketing venture this quarter was the Program Flyer insert to the City of San Diego water bill. The approval of the Package 3 came at the end of the previous quarter, but the program materials were re-designed and distributed this quarter. Suggestions were followed by SDG&E to make clear certain information, such as eligibility dates. All recommendations were included in the new format of the marketing materials. The design of the flyer was slightly altered to give it a new and fresh appearance, but retain the basic look of the old flyer for customer recognition purposes. This new flyer was successfully sent out to approximately 270,000 City of San Diego residents. Our total customer calls received as a result of the direct mailings exceeds 1300.

In addition to the Water Bill inserts, a department-wide newsletter was created. Information about the Program was included in this direct mail piece as well. This newsletter will be mailed out through a slightly different cycle from the Water Bill, arriving at over 300,000 City of San Diego resident mail boxes. Since the Program occupied a share of this mailer, expenses were already paid in order to complete the design of the newsletter. Therefore, the expense of \$10,000 will appear in the reporting period (for the month of June), but the results of mailing the newsletter will not be reported until a future period (the month of August is the target).

One focus of this quarter was placed on Community Presentations and events. This quarter the list of presentations and outreach events consists of the following:

- 5/6/03, Meet Walter Lam, President and CEO, of Alliance for African Assistance

- 5/10/03, Presentation at University Community Branch Library
- 5/12/03, Meet Abdi Mohamoud, Executive Director of Horn of Africa
- 5/14/03, Presentation at Mid City Senior Center (Americans)
- 5/15/03, conducted workshop for vendors and contractors
- 5/24/03, Presentation in Ethiopian Orthodox Church at 4175, Popular Street
- 5/25/03, Presentation to Eritreans at the Eritrean Independence day picnic that held on Admiral Baker Golf Course (2)
- 6/4/03, Presentation at Chicano Federation Senior Center (Latino)
- 6/5/03, Meet and present to Del Mar Fair Ground Organizers
- 6/7/03, Participated in International Village Celebration at City Height
- 6/8/03, Participated in Dixieline annual vendors Fair
- 6/13/03 – 6/28/03, Participated in Delmar Fair (5 full days of presentations)
- 6/23/03, Presentation at Home Owners meeting held in Peninsula Community Center in Point Loma
- 6/25/03, Meet Peter Valentine from YMCA of San Diego County La Jolla Branch, The Fire House Community Center

The City continues to give out free light bulbs to people who attend the presentations. We did not provide light bulbs at the street fairs and larger events.

Future Community Presentations are being scheduled through Community Service Centers and Police Stations Store Fronts.

VI. Inspections

Quarter 2

There were 7 inspections completed this quarter. All but one program participant passed inspection on the first round. The failed inspection did not comply with the low-e double pane window requirement. This customer will not receive a rebate. After 7 inspections this quarter, 5 rebates were paid.

VII. EM&V

Quarter 2

The City of San Diego's EM&V consultant submitted their final plan this quarter. After the initial submittal, revisions were required. By the end of this reporting period, the final plan was resent to the CPUC for final approval. The City expects this approval to come in early July, upon which the City plans to invoice SDG&E for the appropriate amount of \$139,030.68 according to the program implementation plan.

VIII. Budget Summary

The budget summary shown in the table below represents the expenses that have been charged to the Program **year-to-date**.

	CHARGED EXPENDITURES
Total Administrative Costs	\$86,223.22
Total Marketing/Advertising/Outreach Costs	\$58,485.19
Total Direct Implementation Costs	\$7,657.00
Total EM&V Costs	\$0.00
Total Other Costs	\$0.00
Expenditures Grand Total	\$152,365.41